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Financing Agreement

between the United Kingdom of Great Britain and Northern Ireland, Ireland and the
European Commission on the PEACE PLUS Programme 2021-2027

Brussels, 13 and 15 March 2023

[The Agreement entered into force 14 June 2023]

*Presented to Parliament
by the Secretary of State for Foreign, Commonwealth and Development Affairs
by Command of His Majesty
August 2023*



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**FINANCING AGREEMENT BETWEEN THE UNITED KINGDOM OF
GREAT BRITAIN AND NORTHERN IRELAND, IRELAND AND THE
EUROPEAN COMMISSION ON THE PEACE PLUS PROGRAMME
2021-2027**

PREAMBLE

The European Commission, hereinafter referred to as "the Commission", acting on behalf of the European Union, hereinafter referred to as "the EU", the United Kingdom of Great Britain and Northern Ireland, hereinafter referred to as "the United Kingdom", and Ireland, hereinafter collectively referred to as "the Parties",

NOTING that the EU and the United Kingdom have concluded the Agreement on the withdrawal of the United Kingdom from the EU¹ and concluded the Trade and Cooperation Agreement² (the "TCA"), and that these agreements provide a context for engagement and cooperation between the Parties,

RECALLING their shared commitment to delivering the PEACE PLUS programme to sustain work on reconciliation and a shared future in Northern Ireland within the context of the unique and specific circumstances on the island of Ireland, and with a view to supporting North/South cooperation under the Good Friday or Belfast Agreement reached on 10 April 1998 by the United Kingdom Government, the Irish Government and the other participants in the multi-party negotiations (the "1998 Agreement"), which should be protected in all its parts,

RECOGNISING that alongside Strands One and Three of the 1998 Agreement, cooperation between Northern Ireland and Ireland under Strand Two of that Agreement is essential for achieving reconciliation and the normalisation of relationships on the island of Ireland, and recalling the roles, functions and safeguards of the Northern Ireland Executive, the Northern Ireland Assembly and the North/South Ministerial Council (including cross-community provisions), as set out in the 1998 Agreement,

RECALLING that the Special EU Programmes Body (the "SEUPB") is one of the six cross-border Implementation Bodies set up under the Agreement between the Government of Ireland and the Government of the United Kingdom of Great Britain and Northern Ireland establishing Implementation Bodies signed on 8 March 1999,

RESPECTING and acting in accordance with the architecture in place and understanding that the SEUPB operates under the direction of, and is responsible to, the North/South Ministerial Council set up under the 1998 Agreement,

¹ Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

² Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part.

BUILDING on the work of previous PEACE and Interreg programmes between Northern Ireland and the border counties of Ireland,

AFFIRMING that the achievements, benefits and commitments of the peace process in Northern Ireland will remain of paramount importance to peace, stability and reconciliation,

AFFIRMING that all Parties should continue to facilitate the related work of the institutions and bodies set up pursuant to the 1998 Agreement, in particular of the SEUPB,

STRESSING the common objective of making the PEACE PLUS programme a success and affirming their intention to cooperate in a steadfast way to achieve that common objective,

RECALLING also their shared commitment to maintain, for the PEACE PLUS programme, the funding proportions which applied during the 2014-2020 programming period and having regard to the increased budget size of the programme compared to its predecessors,

UNDERLINING their shared commitment to implement the PEACE PLUS programme respecting provisions allowing for sound financial management by the Parties, fair treatment of participants, and management and consultation appropriate to the nature of the cooperation between the Parties,

RECALLING and acting in accordance with the Agreement between the EU and the United Kingdom of Great Britain and Northern Ireland concerning security procedures for exchanging and protecting classified information (the “Security of Information Agreement”),

AGREEING that the sole purpose of this Agreement is to set out the conditions for financing and implementing the PEACE PLUS programme for the programming period 2021 to 2027 in the United Kingdom and Ireland and that nothing in this Agreement shall commit or bind the Parties in respect of any other matter.

HAVE AGREED AS FOLLOWS:

PART ONE GENERAL PROVISIONS AND PRINCIPLES

ARTICLE 1

Purpose of this Agreement

1. This Agreement sets out the conditions for financing and implementing the PEACE PLUS programme for the programming period 2021 to 2027 in Ireland and the United Kingdom with the financial contribution of the European Regional

Development Fund (the “ERDF”), including the financial contribution of the United Kingdom in the form of external assigned revenue, alongside national co-financing, as approved by Commission Implementing Decision C(2022) 4931 of 8 July 2022.

2. This Agreement is not a supplementing agreement for the purposes of Article 2 of the TCA.

ARTICLE 2

Definitions

For the purposes of this Agreement, the following definitions shall apply:

- (a) "national authority" means the Department of Finance in Northern Ireland;
- (b) “Programme” means the Interreg Cross-border Cooperation Programme PEACE PLUS for the programming period 2021 to 2027 as approved by Commission Implementing Decision C(2022) 4931 of 8 July 2022, including any amendment made in accordance with Article 19 of Regulation (EU) 2021/1059;
- (c) "United Kingdom national" means a British citizen or a person who is a British subject by virtue of Part IV of the British Nationality Act 1981 and who has the right of abode in the United Kingdom and is therefore exempt from United Kingdom immigration control;
- (d) "EU restrictive measures" means restrictive measures adopted pursuant to the Treaty on European Union and to the Treaty on the Functioning of the European Union;
- (e) “grant agreement” means the document setting out the conditions for support in accordance with Article 22(6) of Regulation (EU) 2021/1059;
- (f) “basic acts” mean the following acts of the EU institutions, including as amended or replaced, and any acts of an EU institution relevant to the Programme and which supplement or implement those acts:
 - (i) Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and

the Instrument for Financial Support for Border Management and Visa Policy;³

(ii) Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund;⁴

(iii) Regulation (EU) 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments⁵ ;

(iv) Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012⁶; and

(g) “beneficiary”, “operation”, “irregularity” and “participant” each have the same meaning as given by Article 2 of Regulation (EU) 2021/1060;

ARTICLE 3

Terms and conditions under which the Programme is to be implemented

The Programme shall be implemented by Ireland and the United Kingdom under the terms and conditions established in this Agreement, in the text of the Programme and, insofar as relevant and appropriate, taking account of Ireland’s status as an EU member state and the United Kingdom’s status as a third country, under the terms and conditions of the basic acts.

ARTICLE 4

Cooperation principles

1. Ireland and the United Kingdom shall fully cooperate with the joint programme authorities (the managing authority, including the joint secretariat, and the audit authority, including the group of auditors) set out in Section II of Part Two, and the Commission and shall support the efficient functioning of the management and control systems as described in the Programme.

³ OJ L 231, 30.6.2021, p. 159

⁴ OJ L 231, 30.6.2021, p. 60

⁵ OJ L 231, 30.6.2021, p. 94

⁶ OJ L 193, 30.7.2018, p. 1

2. The Programme shall be implemented under shared management both in Ireland and in the United Kingdom.

3. The Parties shall ensure that in the implementation of the Programme no economic resources from the budget of the Programme referred to in Article 5(2) are made available directly or indirectly to, or for the benefit of, entities, individuals or groups of individuals designated by the EU as subject to EU restrictive measures, by the United Kingdom as subject to United Kingdom sanctions, or by either of those Parties as subject to UN sanctions.

4. In the event that a Party identifies that a project partner falls under the scope of EU restrictive measures, United Kingdom sanctions or UN sanctions, that Party shall promptly inform the other Parties and the Parties shall consult each other with a view to jointly determining remedial measures where possible.

5. The Parties recognise the importance of ensuring that the Programme is implemented with regard to shared values and principles of respect for human rights, democracy, and the rule of law, which underpin their domestic and international policies.

ARTICLE 5

Total estimated budget and financial contributions to the Programme

1. The financing plan is set out in Section 3 of the Programme.

2. The total budget of the Programme is EUR 1.144.897.065.

3. The total financial contribution to the Programme provided under the ERDF is EUR 915.917.652.

4. The contribution under paragraph 3 shall include a financial contribution of the United Kingdom to the Programme set at EUR 681.442.733. This contribution shall be treated as external assigned revenue in accordance with point (e) of Article 21(2) of Regulation (EU, Euratom) 2018/1046.

5. The total budget in paragraph 2 shall also include EUR 170.360.683 of national co-financing from the United Kingdom and EUR 58.618.730 of national co-financing from Ireland.

PART TWO
IMPLEMENTATION OF THE PROGRAMME

SECTION I
RULES APPLICABLE TO THE WHOLE OF THE PROGRAMME

ARTICLE 6.1

Selection of operations

Operations shall be selected by the steering committee to be set up by the monitoring committee in accordance with Article 22 of Regulation (EU) 2021/1059.

ARTICLE 6.2

Partnership principle

Ireland and the United Kingdom shall organise and implement a comprehensive partnership in accordance with their respective institutional and legal frameworks, taking into account the specific characteristics of the Programme.

ARTICLE 6.3

Communication and visibility

1. The relevant provisions of the basic acts shall govern the monitoring, evaluation, communication and visibility of the Programme, in accordance with Article 3.
2. The Parties shall ensure that programme authorities and beneficiaries, when carrying out visibility, transparency and communication activities relating to the Programme, include:
 - (a) the crest illustrated in Annex 1 (the “UK Crest”) in all situations either where the emblem of the EU is used in connection with the Programme, or is used in connection with a particular project funded by the Programme, including in circumstances where use of that emblem is required under provisions of the basic acts; and
 - (b) text indicating that the Programme or a particular project funded by the Programme is co-funded by the United Kingdom, in all situations where text is used to indicate that the Programme or project is co-funded by the EU, including in circumstances where inclusion of such text is required under provisions of the basic acts.

3. Paragraphs 1.1 and 1.3 to 1.8 of Annex IX to Regulation (EU) 2021/1060 shall apply mutatis mutandis to the use of the UK Crest under this Article. In addition, use of the UK Crest shall be in accordance with any graphic standards and technical characteristics notified by the United Kingdom under paragraph 4 or 5.

4. Prior to notifying the Parties of the completion of its domestic procedures required for entry into force of this Agreement, the United Kingdom may provide the Parties with further graphic standards and technical characteristics relating to the UK Crest equivalent to those set out in paragraph 1.9 of Annex IX to Regulation (EU) 2021/1060.

5. Following the entry into force of this Agreement the United Kingdom may, in exceptional circumstances, designate a crest for the purposes of this Article which is different to the one illustrated in Annex 1. In such a case designation shall be agreed in writing by all Parties and shall include any applicable standards and characteristics relating to the crest of the type described in the previous paragraph. Where a different crest is designated in accordance with this paragraph, references in this Article to the UK Crest shall, subject to paragraph 6, be read accordingly.

6. For the avoidance of doubt, paragraph 5 does not require the programme authorities or beneficiaries to withdraw, amend or replace communication and marketing materials using the crest illustrated in Annex 1 where those materials were created prior to the designation of the new crest under that paragraph.

SECTION II PROGRAMME AUTHORITIES AND BODIES

ARTICLE 7.1

Monitoring committee

Ireland and the United Kingdom shall each appoint the same number of representatives and deputies to the monitoring committee, established in accordance with Article 28 of Regulation (EU) 2021/1059.

ARTICLE 7.2

Managing authority and national authority

1. In accordance with Articles 45(1) and (3) of Regulation (EU) 2021/1059, Ireland and the United Kingdom have identified, for the purposes of Article 71 of Regulation (EU) 2021/1060, the SEUPB as the single managing authority.

2. The SEUPB, being a body constituted within both Ireland and the United Kingdom and with locations in both countries, meets the regulatory requirements regarding the location of (Interreg) programme authorities. It is subject to the law of

Ireland within the territory of Ireland and of the United Kingdom within the territory of the United Kingdom and will implement the Programme in accordance with such law and, where required for the implementation and sound financial management of the Programme and in accordance with Article 3, the basic acts.

3. The national authority shall assume ultimate responsibility for the implementation of the Programme in the United Kingdom and shall cooperate with the managing authority (including the joint secretariat), the audit authority (including the group of auditors), the monitoring committee and the Commission.

4. The monitoring committee member from the United Kingdom representing the national authority and their deputy shall be the main contacts for the Programme authorities and management bodies related to the implementation of the Programme in the United Kingdom.

5. Within the United Kingdom, the managing authority will administer the Programme in accordance with United Kingdom law.

ARTICLE 7.3

Joint secretariat and branch office

The managing authority, after consultation with Ireland and the United Kingdom, shall set up a joint secretariat with one or more branch offices and with staff taking into account the Programme partnership.

ARTICLE 7.4

Management verifications

The managing authority shall carry out management verifications as provided for in Regulation (EU) 2021/1060 and Regulation (EU) 2021/1059 in the United Kingdom.

ARTICLE 7.5

Accounting function

1. The accounting function shall be carried out by the managing authority.

2. The accounting function shall consist of the tasks listed in points (a) and (b) of Article 76(1) of Regulation (EU) 2021/1060 and shall also cover the payments made by the Commission and, as a general rule, the payments made to the lead partner in accordance with point (b) of Article 74(1) of Regulation (EU) 2021/1060.

ARTICLE 7.6

Audit authority and group of auditors

1. Ireland and the United Kingdom have identified, for the purposes of Article 71 of Regulation (EU) 2021/1060, the Department of Public Expenditure, National Development Plan Delivery and Reform in Ireland, as the single audit authority.
2. As the audit authority does not have the authorisation in the whole territory covered by the Programme, a group of auditors shall assist it, which is composed of a representative from Ireland and the United Kingdom. Ireland and the United Kingdom shall be responsible for audits carried out in their respective territory.
3. The United Kingdom has appointed the Department of Finance in Northern Ireland as its representative in the group of auditors. Ireland's representative in the group of auditors shall be the audit authority.

SECTION III PROCUREMENT

ARTICLE 8

Procurement rules applied by entities implementing operations under the Programme

1. For the award of contracts for goods, works or services according to Article 58(2) of Regulation (EU) 2021/1059, the procurement procedures under Articles 178 and 179 of Regulation (EU, Euratom) 2018/1046 and Chapter 3 of Annex I (points 36 to 41) to that Regulation shall apply. For awards of contracts for goods, works and services below the EU thresholds, national rules apply.
2. Calls for tender under the Programme for amounts above the EU thresholds shall also, where possible, be published or notified online on the respective United Kingdom e-notification service website(s) including those specifically for Northern Ireland.

SECTION IV FINANCIAL PROVISIONS

ARTICLE 9.1

General provision

In accordance with the principles of sound financial management, the Programme budget shall be implemented in a way to ensure that actions financed from the budget are implemented correctly and effectively.

ARTICLE 9.2

Foreign exchange provisions and transfer of funds

1. In accordance with Article 38(5) of Regulation (EU) 2021/1059, expenditure paid in another currency shall be converted into euro by each partner using the monthly accounting exchange rate of the Commission in the month during which that expenditure was submitted for verification to the managing authority.
2. Where applicable, the United Kingdom shall undertake measures to enable beneficiaries in the United Kingdom to:
 - (a) receive funds provided under the financial contribution of the ERDF (including the financial contribution of the United Kingdom in the form of external assigned revenue) for the purposes of the Programme, and open specific bank accounts, including accounts in euro;
 - (b) make payments in line with contractual requirements for the implementation of all activities necessary for the implementation of the operation, including redistribution of the grant amount by the lead beneficiary to the other beneficiaries.

ARTICLE 9.3

Rules applicable to the financial contribution of the United Kingdom to the Programme

1. Regulation (EU, Euratom) 2018/1046 shall apply to the management of the financial contribution of the United Kingdom to the Programme in the form of external assigned revenue.
2. All financial contributions of the United Kingdom to the Programme shall be expressed and paid in euro.

3. Following the adoption of the Commission Implementing Decision C(2022) 4931 of 8 July 2022 and the signature of this Agreement by all Parties, the Commission shall within 60 days send a call for funds to the United Kingdom for an amount of EUR 234,691,883 corresponding to the financial contribution of the United Kingdom to the Programme for the years 2022 (EUR 116.410.988) and 2023 (EUR 118.280.895).

4. The United Kingdom shall pay that amount into the bank account indicated by the Commission within 60 days of the date on which the Agreement enters into force or within 60 days of the date on which the call for funds is received, whichever is later.

5. During the first quarter of each of the years 2024 to 2027 the Commission shall send to the United Kingdom a call for funds for the relevant amount in respect of the year in question.

6. The United Kingdom shall pay the relevant amount into the bank account indicated by the Commission no later than 60 days after the date on which the call for funds is received.

7. The relevant amounts for each year are as follows:

in 2024, EUR 120.188.202;

in 2025, EUR 122.133.660;

in 2026, EUR 101.202.469;

in 2027, EUR 103.226.519.

8. In the absence of payment by the United Kingdom by the due date, the Commission shall send a formal letter of reminder.

9. After receipt of the formal letter of reminder, any further delay in the payment of the contribution shall give rise to the payment of default interest by the United Kingdom on the outstanding amount as from the due date until the calendar day on which that outstanding amount is paid in full.

10. The interest rate for amounts receivable but not paid on the due date shall be the rate applied by the European Central Bank to its principal refinancing operations, as published in the C series of the Official Journal of the EU, in force on the first calendar day of the month in which the due date falls, or zero per cent, whichever is higher, plus three and a half percentage points.

11. In the event of discontinuation of the Programme, the Commission shall pay back the contribution from the ERDF for the United Kingdom in the form of external assigned revenue within two months from the date of the adoption of the Commission Implementing Decision on the discontinuation of the Programme, except to the extent that the United Kingdom declares, no later than one month from the date of

the adoption of that Commission Implementing Decision, that the contribution, or part of that contribution, should stay in the EU budget for another specified purpose or should be carried over to a successor programme, in which case the Commission shall pay back any part of the contribution specified in the declaration to be paid back to the United Kingdom and shall do so within one month of the date of the adoption of the Commission Implementing Decision, or of the declaration being issued, whichever is later.

12. In paragraph 11, the “contribution from the ERDF for the United Kingdom in the form of external assigned revenue” means the amount of that contribution:

- (a) not yet committed;
- (b) committed but subsequently de-committed;
- (c) committed, with the exception of any amounts needed to cover the financial commitments entered into by the managing authority in grant agreements before the date of adoption of the Commission Implementing Decision on the discontinuation of the Programme.

13. When the Commission informs the managing authority by 31 January of a given year n of the amount of the decommitment pursuant to Article 107(1) of Regulation (EU) 2021/1060, it shall also inform the United Kingdom of that amount and its share.

14. The share referred to in paragraph 13 shall be considered to correspond to appropriations not fully used by 31 December of the year $n-1$.

15. The United Kingdom shall have two months to agree to the amount of its share or to submit its observations.

16. By 31 May of the year n , the United Kingdom may request that:

- (a) the amount of its share with regard to the year $n-4$ shall not automatically be carried over to the year $n+1$ and that
- (b) the amount shall be paid back to the United Kingdom.

17. The Commission shall transfer the amount under point (b) of paragraph 16 within 60 days.

18. The first year n shall be the year 2026 and the last year n shall be the year 2031.

19. Within 60 days of the expiry of this Agreement or termination under Article 18 taking effect, the Commission shall pay to the United Kingdom any amount of the United Kingdom contribution from the ERDF for the United Kingdom in the form of external assigned revenue:

- (a) not yet committed; or

- (b) committed but subsequently decommitted; or
- (c) committed, with the exception of any amounts needed to cover the financial commitments entered into by the managing authority in grant agreements before the earlier of the dates mentioned in Article 18(6).

20. If the Commission does not pay within the time period stipulated in paragraph 19, the United Kingdom shall send a formal letter of reminder. After receipt of the formal letter of reminder, any further delay in the payment of the contribution shall give rise to the payment of default interest by the Commission on the outstanding amount, calculated in accordance with paragraph 10.

21. For the purposes of this Article, "share" means the ratio of the United Kingdom's contribution to the Programme, as set out in Article 5(4), and the total financial contribution to the Programme provided under the ERDF, as set out in Article 5(3).

SECTION V SOUND FINANCIAL MANAGEMENT WITH REGARD TO THE IMPLEMENTATION OF THE PROGRAMME

ARTICLE 10.1

General provision

1. Ireland and the United Kingdom shall agree on a management and control system for the Programme in accordance with Articles 69 to 72, 74 to 76 and 78, 79, 81 and 82 of Regulation (EU) 2021/1060 and Articles 22, 30(2) and 46 to 49 of Regulation (EU) 2021/1059 and shall ensure its functioning in accordance with sound financial management and the key requirements listed in Annex XI to Regulation (EU) 2021/1060.
2. For the purposes of the application of this Section, the programme authorities and bodies shall cooperate closely with the Parties in accordance with their respective laws and regulations.
3. When exercising their duties in the United Kingdom the programme authorities, EU agents and EU investigative bodies shall act in a manner consistent with United Kingdom law.

ARTICLE 10.2

Audits and reviews

1. The EU and the audit authority shall have the right to conduct as provided for in this Agreement and in accordance with Articles 48 and 49 of Regulation (EU) 2021/1059 and Article 79 of Regulation (EU) 2021/1060, technical, scientific, financial, or other types of reviews and audits on the premises of any natural person residing in or legal entity established in the United Kingdom and receiving PEACE PLUS funding, as well as any third party involved in the implementation of PEACE PLUS funding residing or established in the United Kingdom.

2. Such reviews and audits may be carried out by the audit authority (including the representatives in the group of auditors) and agents of the institutions and bodies of the EU, in particular of the Commission and the European Court of Auditors, or by other persons mandated by the Commission in accordance with EU law.

3. The agents of the institutions and bodies of the EU, in particular the agents of the Commission and the European Court of Auditors, as well as other persons mandated by the Commission, and the audit authority (including the representatives in the group of auditors) shall have appropriate access to sites, works and documents (in electronic versions, paper versions, or both) and to all the information required in order to carry out such reviews and audits. Such access shall include the right to obtain physical or electronic copies of, and extracts from, any document or the contents of any data medium held by audited persons.

4. The United Kingdom shall not prevent or raise any particular obstacle to the right of the agents and other persons referred to in paragraph 3 to enter the United Kingdom and to access the premises of the audited persons in the exercise of their duties referred to in this Article.

5. Access to all information and documents requested by the agents and other persons referred to in paragraph 3 on the grounds of the exercise of their duties referred to in this Article shall be granted on conditions of protection of such information and data with regard to third parties in accordance with the domestic law of the Party concerned and, where relevant and in accordance with Article 3, provisions in the basic acts applicable to the agents and other persons referred to in paragraph 3.

6. The United Kingdom, and, where relevant, the programme authorities, shall be notified of on-the-spot missions by agents or external auditors appointed or mandated by the managing authority, the audit authority, or the EU institutions referred to in paragraph 2.

7. Reviews and audits under this Article may be carried out:

- (a) during the first five years of any period of suspension of the Agreement under Article 17;

- (b) during the period of five years beginning with the date of the expiry of the Agreement or on which termination took effect under Article 18, except in cases where the Agreement was suspended under Article 17 immediately prior to termination or expiry, in which case the period shall begin with the date on which the suspension took effect; and
- (c) in relation to a project which is closed after the date of the expiry of the Agreement or on which termination took effect under Article 18, during the period of five years beginning on 31 December of the year in which the last payment by the managing authority to the lead beneficiary for that project is made.

ARTICLE 10.3

Fight against irregularities, fraud and other criminal offences affecting the financial interests of the EU

1. The Commission and the European Anti-Fraud Office (“OLAF”) shall be authorised to carry out administrative investigations, including on-the-spot checks and inspections, in the territory of the United Kingdom. The Commission and OLAF shall act in accordance with the acts of the EU governing those checks, inspections and investigations.
2. In accordance with point (c) of Article 63(2) of Regulation (EU, Euratom) 2018/1046, the national authority and the managing authority shall ensure the legality and regularity of expenditure included in the accounts submitted to the Commission and shall take all required actions to prevent, detect and correct and report on irregularities including fraud in accordance with Article 69(2) of Regulation (EU) 2021/1060.
3. The national authority, the managing authority and the United Kingdom representative in the group of auditors shall cooperate with the Commission, OLAF, the European Court of Auditors and the programme authorities on all matters related to preventing, detecting and correcting irregularities and suspected or established fraud.
4. Financial corrections by the managing authority or by the Commission shall be made in accordance with Articles 103 or 104 of Regulation (EU) 2021/1060 respectively. The recovery of irregular expenditure, including offsetting, by the Commission, the managing authority and the lead partner shall be made in accordance with Article 52 of Regulation (EU) 2021/1059. If the United Kingdom fails to reimburse any amounts unduly paid in accordance with Article 52(3) of Regulation (EU) 2021/1059, the recovery from the United Kingdom may be made by offsetting in accordance with Article 102 of Regulation (EU, Euratom) 2018/1046.
5. On-the-spot checks and inspections may be carried out on the premises of any natural person residing in or legal entity established in the United Kingdom that

receives PEACE PLUS funding under a funding agreement or a contract, as well as on the premises of any third party involved in the implementation of PEACE PLUS residing or established in the United Kingdom. Such checks and inspections shall be prepared and conducted by the Commission or OLAF in close collaboration with the competent United Kingdom authority designated by the United Kingdom. The designated authority shall be notified within a reasonable period before the checks and inspections of the object, purpose and legal basis of those checks and inspections, to enable it to provide assistance. To that end, the officials of the competent United Kingdom authorities may participate in the on-the-spot checks and inspections.

6. The agents of the Commission and OLAF shall have access to all the information and documentation (in electronic versions, paper versions, or both) relating to the operations referred to in paragraph 5 which are required for the proper conduct of the on-the-spot checks and inspections. In particular, the agents of the Commission and OLAF may copy relevant documents.

7. The Commission or OLAF and the competent United Kingdom authorities shall decide on a case-by-case basis whether to conduct on-the-spot checks and inspections jointly, including where both parties are competent to conduct investigations.

8. Where a beneficiary in the United Kingdom or any other third party involved in the implementation of the Programme resists an on-the-spot check or inspection, the national authority or the United Kingdom representative in the group of auditors, acting in accordance with national rules and regulations, shall assist the Commission or OLAF or the programme authorities, to allow them to fulfil their duty in carrying out an on-the-spot check or inspection. This assistance shall include taking the appropriate precautionary measures under national law, including to safeguard evidence.

9. The Commission or OLAF or the programme authorities shall inform the United Kingdom authorities of the result of such checks and inspections. In particular, the Commission or OLAF shall report as soon as possible to the national authority any fact or suspicion relating to an irregularity which has come to their notice in the course of the on-the-spot check or inspection.

10. For the purposes of proper implementation of this Article, the Commission or OLAF or the programme authorities and the national authority, the managing authority and the United Kingdom representative in the group of auditors shall regularly exchange information and, at the request of one of the Parties, consult each other, unless prohibited by EU or United Kingdom law.

11. Information exchanged between the Commission or OLAF, the programme authorities and the national authority shall be treated in accordance with Article 11.5.

ARTICLE 10.4

Recovery and enforcement

1. Decisions adopted by the Commission imposing a pecuniary obligation on legal or natural persons other than States in relation to any claims stemming from, and relating to the financial management of, the Programme shall be enforceable in the United Kingdom. The order for its enforcement shall be appended to the decision, without any other formality than a verification of the authenticity of the decision by an authority designated for this purpose by the United Kingdom. The United Kingdom shall make known its designated authority to the Commission and the Court of Justice of the European Union. In accordance with Article 10.5, the Commission shall be entitled to notify such enforceable decisions directly to persons residing and legal entities established in the United Kingdom. The enforcement of those decisions shall take place in accordance with United Kingdom law and by the relevant United Kingdom authority.
2. Judgments and orders of the Court of Justice of the European Union delivered in application of an arbitration clause contained in a contract or agreement in relation to the Programme shall be enforceable in the United Kingdom in the same manner as Commission decisions, as referred to in paragraph 1.
3. The Court of Justice of the European Union shall have jurisdiction to review the legality of the decisions of the Commission referred to in paragraph 1 and to suspend the enforcement of such decisions. However, the courts of the United Kingdom shall have jurisdiction over complaints alleging that enforcement is being carried out in an irregular manner.

ARTICLE 10.5

Communication and exchange of information

The EU institutions and bodies involved in the implementation of the Programme shall be entitled to communicate directly, including through electronic exchange systems, with any natural person residing in the United Kingdom or legal entity established in the United Kingdom receiving Programme funding, as well as with any third party involved in the implementation of such funding that resides or is established in the United Kingdom. Such persons, entities and third parties may submit directly to the EU institutions and bodies all relevant information and documentation which they are required to submit on the basis of the basic acts, or on the basis of the contracts or funding agreements concluded to implement the Programme.

ARTICLE 10.6

Irregularity reporting

The United Kingdom shall report to the managing authority and to the audit authority on irregularities in accordance with the criteria for determining the cases of irregularity to be reported, the data to be provided, and the format for reporting, as set out in Annex XII to Regulation (EU) 2021/1060.

ARTICLE 10.7

Discontinuation of the Programme

1. If the Parties agree that the Programme cannot be implemented as planned, following consultation with the monitoring committee, the Commission shall, by the adoption of an Implementing Decision, discontinue the Programme and reduce the allocations accordingly.
2. In such case, the contribution from the ERDF for Ireland corresponding to annual instalments not yet committed, or annual instalments committed and de-committed during the same budgetary year shall be allocated to another Interreg programme in which Ireland participates.

SECTION VI MISCELLANEOUS PROVISIONS

ARTICLE 11.1

Facilitating entry

1. Each Party shall make every effort, within the framework of its domestic laws, to facilitate the entry of persons involved in the implementation of the Programme.
2. This Agreement is without prejudice to any arrangements made between Ireland and the United Kingdom concerning the Common Travel Area.

ARTICLE 11.2

Permits, authorisations and access to services

1. The competent United Kingdom authority, in accordance with United Kingdom law and in a timely manner, shall provide all necessary permits or authorisations required to enable the managing authority to issue the grant agreement to the lead beneficiary.

2. Notwithstanding the previous paragraph, the conditions for support set out by the managing authority in the grant agreement may include a condition that the necessary permits or authorisations referred to in the previous paragraph are obtained by the lead beneficiary.

3. The United Kingdom shall ensure, insofar as it is under the control of the United Kingdom authorities, that the conditions for the persons referred to in Article 11.1(1) to access services in the United Kingdom that are directly related to the implementation of the Programme are the same as for United Kingdom nationals, including as regards any fees.

ARTICLE 11.3

Intellectual property rights (including the use of studies)

1. With regard to communication and visibility material, the Parties shall ensure that the managing authority includes in each grant agreement equivalent conditions and clauses in respect of the United Kingdom as are necessary to include in respect of the EU in accordance with Article 49(6) of Regulation (EU) 2021/1060.

2. With regard to the acquisition of all necessary intellectual property rights with regard to information technology, studies, drawings, plans, publicity, patents and any other material made in order to facilitate planning, implementation, monitoring and evaluation purposes, the Parties shall ensure that the managing authority includes in each grant agreement the necessary conditions and clauses in accordance with their respective applicable law.

3. Without prejudice to Articles 10.2 and 10.3, the Parties shall ensure that beneficiaries allow any Party or agents thereof to have access to and the right to use such material.

4. The Parties shall ensure that the managing authority includes in each grant agreement the necessary conditions and clauses to include the right for any Party to use any study supported under the Programme, or to publish it or to disclose it to third parties.

ARTICLE 11.4

Retention and availability of documents

1. The Parties shall ensure that the managing authority includes in each grant agreement the necessary conditions and clauses to make all beneficiaries financed under the Programme keep all supporting documents related to an operation available at the appropriate level in a way to allow the managing authority to have access thereto for a five-year period beginning on 31 December of the year in which the last payment by the managing authority to the lead beneficiary is made.

2. The time period referred to in paragraph 1 shall be paused either in the case of legal proceedings or by a request of the Commission.

ARTICLE 11.5

Processing and protection of personal data

1. The Parties shall ensure that personal data relating to the participation of persons in the Programme is processed in accordance with their respective rules applicable to the processing of such data and, where an international transfer of such personal data occurs, such transfer shall take place in accordance with the transferring Party's rules on international transfers of personal data. Where needed, each Party shall establish safeguards necessary for the transfer of personal data, in accordance with these rules.

2. The Parties shall ensure that the personal data referred to in paragraph 1 is processed only where necessary for the purpose of carrying out their respective obligations under this Agreement and the basic acts, in particular for monitoring, reporting, communication, publication, evaluation, financial management, verifications and audits and, where applicable, for determining the eligibility of participants. The onward transfer of such data by a Party to a third country or international organisation may only take place with the consent of the Party from whose territory the information was originally transferred.

3. Personal data referred to in paragraph 1 shall be transferred to the EU institutions and bodies listed in Articles 10.2 and 10.3 only for the purpose of those activities detailed in those articles.

ARTICLE 11.6

Classified information

With regard to classified information as defined in Article 2 of the Security of Information Agreement, the provisions of that agreement shall apply.

ARTICLE 11.7

Disclosure of information

1. Without prejudice to Articles 10.2, 10.3 and 11.4, and in accordance with their respective laws, rules and regulations as regards the protection of information, the Parties shall ensure that they and the programme authorities preserve the protection of any document, information or other material directly related to the implementation of the Programme.

2. Subject to their respective laws, rules and regulations regarding public disclosure of documents and their respective rules on classified documents, the

Parties will endeavour to consult each other before disclosing such information to the public.

PART THREE FINAL PROVISIONS

ARTICLE 12

Communication between the Parties and contact information

1. The working language of the Programme shall be English.
2. All communications concerning the implementation of this Agreement shall be in writing, shall refer expressly to the Programme and shall be sent either by email only, or by email and post to the following addresses:

For the EU:

European Commission
Directorate General for Regional and Urban Policy
1049 Brussels
Belgium
Email address: regio_peaceplus@ec.europa.eu

For Ireland:

Department of Public Expenditure, National Development Plan Delivery
and Reform
Government Buildings
Dublin 2
D02 R583
Ireland
Email address: esif20212027@per.gov.ie

For the United Kingdom:

The Northern Ireland Office
1 Horse Guards Road, Westminster
London
SW1A 2HQ
United Kingdom
Email address: correspondence@nio.gov.uk

3. Any Party may, at any time, designate other contact details for the purposes of this Article. Notification of such designation shall be made in writing to each of the other Parties.

ARTICLE 13

Interpretation of this Agreement

In the event of a conflict between the provisions in this Agreement and in its Annexes, the provisions contained in this Agreement shall prevail.

ARTICLE 14

Consultations between Parties

1. Any question relating to the interpretation, application or implementation of this Agreement shall be subject to consultation between the Parties.
2. The Parties shall also consult each other in the following cases:
 - (a) where a Party becomes aware that an amendment to its laws adopted after the entry into force of this Agreement will affect or is affecting the implementation of the Programme;
 - (b) where the EU has adopted an act which corrects, amends, replaces or supplements a provision in a basic act which is within the scope of Article 3;
 - (c) unless otherwise agreed, within 30 days of a notification to suspend the Agreement under Article 17(2), with a view to reaching a mutually agreeable solution for avoiding or lifting the suspension.
3. Where a Party becomes aware of problems relating to the implementation of the Programme or of the application of this Agreement, it shall establish all necessary contacts with the other Parties and the managing authority.
4. Paragraphs 1 to 3 shall not apply in relations between the Commission and Ireland.
5. Consultations under this Article shall be commenced by means of a written request. The requesting Party or Parties shall specify in the written request the reasons for the request. The Party or Parties receiving the request shall reply to the request promptly, and in any case no later than 10 days after the date of its delivery.

ARTICLE 15

Dispute settlement arrangements

1. Any dispute between the Parties concerning the interpretation, application or implementation of this Agreement other than in relation to Article 4(5) which cannot be settled within a six-month period by the consultations between the Parties

provided for in Article 14, may be settled by arbitration. If the Parties agree, the six-month period may be waived or reduced in relation to a particular dispute.

2. Unless the Parties otherwise agree, the arbitration rules set out in Part A of Annex 2 shall apply in relation to an arbitration under this Article.

3. Each Party shall be bound to take the measures necessary for the application of the arbitrators' decision within a reasonable period of time.

4. In this Article, and in the arbitration rules set out in Part A of Annex 2, references to the Parties shall be read as meaning one of the Commission or Ireland, or the Commission and Ireland acting jointly, on the one side, and the United Kingdom on the other. Where a dispute involves the Commission and Ireland, on the one hand, and the United Kingdom, on the other hand, the Commission and Ireland shall be referred to as a Party, and shall designate one common arbitrator.

5. Any notice given by one Party to another relating to a dispute under this Article shall be in writing and sent electronically to the email address or addresses for that other Party specified in or designated under Article 12. Where a dispute involves the Commission and Ireland, on the one hand, and the United Kingdom, on the other hand, any notice required to be given by the Commission and Ireland may be given by the Commission only.

ARTICLE 16

Amendment of this Agreement

1. Any amendment of this Agreement, including one considered necessary to rectify an unintentional lacuna or to replace a provision found to be invalid, shall be made in writing and must be agreed by all the Parties.

2. An amendment may take the form of an exchange of letters upon agreement of all the Parties.

3. Where a Party requests an amendment, it shall submit the request in writing to the other Parties at least three months before the amendment is intended to enter into force, except in cases which are duly justified and agreed with the other Parties.

ARTICLE 17

Suspension of this Agreement

1. Any Party may suspend this Agreement:

(a) if one of the other Parties breaches an obligation under this Agreement;

- (b) where it considers there are serious deficiencies directly affecting the implementation of the Programme;
- (c) where, in accordance with Article 10.7(1), the Parties agree that the Programme cannot be implemented as planned; or
- (d) in a case of force majeure.

2. A Party intending to suspend the Agreement shall notify the other Parties, providing due justification. The suspension shall take effect 45 days following the date of notification unless otherwise agreed.

3. Any Party may take any appropriate precautionary measure to prepare for suspension before the suspension takes effect, which may include measures to address the cause of the proposed suspension, or measures to protect projects or the Programme.

4. Unless otherwise agreed, within 30 days of a notification under paragraph 2, the Parties shall consult with a view to reaching a mutually agreeable solution for avoiding or lifting the suspension in accordance with point (c) of Article 14(2). If the Parties reach a mutually agreeable solution for avoiding or lifting the suspension, the suspension shall not take effect or shall cease to have effect.

5. In the case of suspension, the financial contribution referred to in Article 5(3) from the Parties shall no longer be due, with the exception of any amounts needed to cover the financial commitments entered into by the managing authority in grant agreements before the date on which the suspension takes effect.

ARTICLE 18

Termination of this Agreement

1. Subject to the remainder of this Article, this Agreement shall remain in force until whichever the earlier of:

- (a) 1 July 2032; or
- (b) the end of a period of 45 days beginning with the date on which the Commission notifies the other Parties of the completion by the EU of its necessary procedures for the closure of the Programme.

2. A Party may terminate this Agreement before its expiry under paragraph 1 by giving written notice to the other Parties where one or more of the following applies:

- (a) the Agreement is suspended under Article 17, provided that a period of at least 180 days has expired since the suspension took effect;

- (b) a Commission Implementing Decision on the discontinuation of the Programme has been adopted as referred to in Article 10.7;
- (c) another Party has failed to meet its obligations relating to the financial contributions set out in Articles 5 or 9.3;
- (d) the basic acts are corrected, amended or supplemented to an extent that the conditions for the participation of beneficiaries in the United Kingdom have been substantially modified.

3. Termination shall take effect 45 days after the date on which the last of the notices given under paragraph 2 was received, unless otherwise agreed.

4. A Party may terminate this Agreement before its expiry under paragraph 1 in circumstances other than those referred to in paragraph 2, but in such a case termination shall take effect 180 days after the date on which the last of the notices was received, unless otherwise agreed.

5. In the event of early termination of this Agreement, outstanding arrangements under the Programme shall be concluded in an appropriate and orderly manner and in a way which delivers the objectives of the Programme. Accordingly, in the event that notice of termination is given under this Article, and unless otherwise agreed, the Parties shall meet before termination takes effect in order to decide what measures are necessary. These measures shall include:

- (a) provision for completion of operations initiated or contracted by beneficiaries in line with the grant agreement with the managing authority;
- (b) provision for commitments entered into by the managing authority; as of the date of the last of the notices. The Parties shall then implement such measures according to a timetable agreed by the Parties.

6. Upon termination of this Agreement under paragraphs 2 or 4 taking effect, the financial contribution from the Parties referred to in Article 5(3) shall still be due, so far as necessary, to implement measures agreed under paragraph 5, and to cover the financial commitments entered into by the managing authority in grant agreements before whichever the earlier of:

- (a) the date of the adoption of any Commission Implementing Decision on the discontinuation of the Programme;
- (b) the date on which the suspension of the Agreement under Article 17 took effect (in cases where the Agreement was subsequently terminated under point (a) of paragraph 2 above); or
- (c) the date on which termination took effect.

ARTICLE 19

Depositary

The Commission shall be the Depositary of this Agreement.

ARTICLE 20

Components of this Agreement

The Annexes to this Agreement shall form an integral part of this Agreement.

ARTICLE 21

Entry into force of this Agreement

Following signature by all the Parties, this Agreement shall enter into force for all Parties on the day after the date on which the United Kingdom notifies the Depositary of the completion of its domestic procedures for establishing its consent to be bound. At the same time as the United Kingdom notifies the Depositary in accordance with this paragraph, the United Kingdom shall also notify Ireland.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto, have signed this Agreement.

Done in three original copies this thirteenth and fifteenth day of March 2023, in the English language.

**For the United Kingdom of
Great Britain and Northern Ireland:**

LINDSAY APPLEBY

For Ireland:

THOMAS HANNEY

For the European Commission:

NORMUNDS POPENS

ANNEX 1

UK CREST



UK Government

ANNEX 2

ARBITRATION RULES AND CODE OF CONDUCT FOR ARBITRATORS FOR THE PURPOSES OF ARTICLE 15 OF THIS AGREEMENT

PART A ARBITRATION RULES

SECTION 1 INTRODUCTORY RULES

RULE 1 Registry

The International Bureau of the Permanent Court of Arbitration (the “International Bureau”) shall serve as registry for the proceedings and provide secretariat services. If the International Bureau is unwilling to do so, the Parties shall agree on an alternative body. If the Parties are unable to agree, or the alternative body chosen by the Parties is unwilling to act, the International Bureau shall appoint an alternative body.

RULE 2 Notice and calculation of periods of time

1. A notice shall be deemed to have been received on the day it is sent by email to the address notified in Article 12 of the Agreement except that a notice of arbitration is only deemed to have been received on the day when it reaches the addressee’s email address.
2. For the purpose of calculating a period of time under these Rules, such period shall begin to run on the day following the day when a notice is received, unless such day falls on a weekend in which case the period shall begin to run on the Monday following the receipt of the notice. For the avoidance of doubt, weekends are not included in calculating the period but official holidays or non-business days occurring during the running of the period of time are included.

RULE 3 Notice of arbitration

1. The Party initiating recourse to arbitration (hereinafter the “claimant”) shall communicate to the other Party (hereinafter the “respondent”) and the International Bureau, a notice of arbitration.

2. Arbitral proceedings shall be deemed to commence on the date on which the later of any notices of arbitration is received by the respondent or respondents.
3. The notice of arbitration shall include the following:
 - (a) demand that the dispute be referred to arbitration;
 - (b) names and contact details of the Parties
 - (c) a statement that the relevant conditions of Article 15 of this Agreement have been met;
 - (d) identification of any rule, decision, agreement, contract, convention, treaty or relationship out of, or in relation to which, the dispute arises;
 - (e) a brief description of the claim and an indication of the amount involved, if any;
 - (f) the relief or remedy sought; and
 - (g) identification of the place of arbitration in accordance with Rule 15.
4. The notice of arbitration may also include a notification of the appointment of an arbitrator referred to in Rules 7 or 8.
5. The constitution of the arbitral tribunal shall not be hindered by any controversy with respect to the sufficiency of the notice of arbitration, which shall be finally resolved by the arbitral tribunal.

RULE 4

Response to the notice of arbitration

1. Within 30 days of the receipt of the notice of arbitration, or such other period as may be agreed by the Parties, the respondent shall communicate to the claimant and the International Bureau, a response to the notice of arbitration, which shall include:
 - (a) the contact details of the respondent or respondents; and
 - (b) a response to the information set forth in the notice of arbitration, pursuant to points (c) to (g) of Rule 3(3).
2. The response to the notice of arbitration may also include:
 - (a) any plea that an arbitral tribunal to be constituted under these Rules lacks jurisdiction;

(b) notification of the appointment of an arbitrator referred to in Rules 7 or 8;

(c) a brief description of counterclaims or claims for the purpose of a set-off, if any, including where relevant, an indication of the amounts involved, and the relief or remedy sought; and

(d) a notice of arbitration in accordance with Rule 3 in case the respondent formulates a claim against a Party other than the claimant.

3. The constitution of the arbitral tribunal shall not be hindered by any controversy with respect to the respondent's failure to communicate a response to the notice of arbitration, or an incomplete or late response to the notice of arbitration, which shall be finally resolved by the arbitral tribunal.

RULE 5

Representation and assistance

Each Party may appoint an agent. The Parties may also be assisted by persons of their choice. The contact details of such persons must be communicated in writing to the other Party, and to the International Bureau and to the arbitral tribunal after it has been appointed.

RULE 6

Appointing authority

1. The Parties may agree upon any individual or institution to be the appointing authority. The Secretary-General of the Permanent Court of Arbitration shall serve as appointing authority if the Parties do not agree upon the authority, or if the authority they choose does not act.

2. In exercising its functions under these Rules, the appointing authority may require from any Party and the arbitrators the information it deems necessary and it shall give the Parties and, where appropriate, the arbitrators, an opportunity to present their views in any manner it considers appropriate.

3. The appointing authority shall have regard to such considerations as are likely to secure the appointment of an independent and impartial arbitrator and shall take into account the advisability of appointing an arbitrator of a nationality other than the nationalities of the Parties.

SECTION 2
COMPOSITION OF THE ARBITRAL TRIBUNAL

RULE 7
Appointment of arbitrators

1. Each Party shall appoint one arbitrator. The two arbitrators thus appointed shall choose the third arbitrator who will act as the presiding arbitrator of the tribunal.
2. If within 30 days after the receipt of a Party's notification of the appointment of an arbitrator the other Party has not notified the first Party of the arbitrator it has appointed:
 - (a) the first Party may request the appointing authority previously designated by the Parties to appoint the second arbitrator; or
 - (b) if no such authority has been previously designated by the Parties, or if the appointing authority previously designated refuses to act or fails to appoint the arbitrator within 30 days after receipt of a Party's request therefor, the first Party may request the Secretary-General of the Permanent Court of Arbitration to designate the appointing authority. The first Party may then request the appointing authority so designated to appoint the second arbitrator in accordance with Rule 8. In either case, the appointing authority may exercise its discretion in appointing the arbitrator.
3. If within 30 days after the appointment of the second arbitrator the two arbitrators have not agreed on the choice of the presiding arbitrator, the presiding arbitrator shall be appointed by the appointing authority in accordance with the following rules:
 - (a) the appointing authority shall communicate to the Parties an identical list containing at least three names;
 - (b) within 30 days after the receipt of this list, each Party may return the list to the appointing authority after having deleted the name or names to which it objects and numbered the remaining names on the list in the order of its preference;
 - (c) after the expiration of the 30 days referred to in point (b) the appointing authority shall promptly appoint the presiding arbitrator from among the names approved on the lists returned to it and in accordance with the order of preference indicated by the Parties; and
 - (d) if for any reason the appointment cannot be made according to this procedure, the appointing authority may exercise its discretion in appointing the presiding arbitrator.

4. In making the appointment, the appointing authority shall have regard to such considerations as are likely to secure the appointment of independent and impartial arbitrators.

RULE 8

Appointment of arbitrators (cntd)

1. When an appointing authority is requested to appoint an arbitrator pursuant to Rule 7, the Party which makes the request shall send to the appointing authority a copy of the notice of arbitration and a copy of this Agreement and any other pertinent documents among those mentioned in points (c) and (d) of Rule 3(3). The appointing authority may request from either Party any information it deems necessary to fulfil its function.

2. Where the names of one or more persons are proposed for appointment as arbitrators, their full names, addresses and nationalities shall be indicated, together with a description of their qualifications which shall demonstrate experience in dispute settlement procedures, and recognised expertise in public international law, which may include the field of law applicable to the substance of the dispute.

3. The arbitrators shall comply with the Code of Conduct for Arbitrators in Part B of this Annex. Prior to their appointment, each arbitrator shall provide to the Parties a written declaration in which they commit to complying with the Code of Conduct.

4. In appointing arbitrators pursuant to these Rules, the Parties and the appointing authority are free to designate persons who are not Members of the Permanent Court of Arbitration at The Hague.

RULE 9

Challenge of arbitrators

1. Any arbitrator or prospective arbitrator may be challenged if circumstances exist that give rise to justifiable doubts as to the arbitrator's impartiality or independence.

2. A Party may challenge the arbitrator appointed by it only for reasons of which it becomes aware after the appointment has been made.

RULE 10

Challenge of arbitrators (cntd)

1. A Party who intends to challenge an arbitrator shall send notice of its challenge within 30 days after the appointment of the challenged arbitrator has been notified to the challenging Party or, in respect of a challenge to an arbitrator or prospective

arbitrator, within 30 days after the circumstances mentioned in Rule 9 and paragraphs 7 to 9 of Part B of this Annex became known to that Party.

2. The challenge shall be notified to the other Party, to the arbitrator or prospective arbitrator who is challenged, to the International Bureau, to the appointing authority and to the other members of the arbitral tribunal. The notification shall be in writing and shall state the reasons for the challenge.

RULE 11

Challenge of arbitrators (cntd)

1. When an arbitrator has been challenged by one Party, the other Party may agree to the challenge. The arbitrator may also, after the challenge, withdraw from their office. In neither case does this imply acceptance of the validity of the grounds for the challenge. In both cases the procedure provided in Rules 7 and 8 that was applicable to the appointment or choice of the arbitrator being replaced shall be used for the appointment of the substitute arbitrator, even if during the process of appointing the challenged arbitrator a Party had failed to exercise its right to appoint or to participate in the appointment.

2. If the other Party does not agree to the challenge and the challenged arbitrator does not withdraw, the decision on the challenge will be made by the appointing authority.

3. If the appointing authority sustains the challenge, a substitute arbitrator shall be appointed or chosen pursuant to the procedure applicable to the appointment or choice of the arbitrator being replaced as provided in Rules 7 and 8.

RULE 12

Replacement of an arbitrator

1. In the event of the death or resignation of an arbitrator during the course of the arbitral proceedings, a substitute arbitrator shall be appointed or chosen pursuant to the procedure provided for in Rules 7 and 8 that was applicable to the appointment or choice of the arbitrator being replaced.

2. In the event that an arbitrator fails to act or in the event of the de jure or de facto impossibility of the arbitrator performing their functions, the procedure in respect of the challenge and replacement of an arbitrator as provided in the preceding Rules shall apply.

RULE 13

Repetition of hearings in the event of the replacement of an arbitrator

If an arbitrator is replaced, the proceedings shall resume at the stage when the arbitrator who was replaced ceased to perform their functions, unless the arbitral tribunal decides otherwise.

SECTION 3 ARBITRAL PROCEEDINGS

RULE 14

General provisions

1. Subject to these Rules, the arbitral tribunal may conduct the arbitration in such manner as it considers appropriate, provided that the Parties are treated with equality and that at any stage of the proceedings each Party is given a full opportunity of presenting its case. The arbitral tribunal, in exercising its discretion, shall conduct the proceedings so as to avoid unnecessary delay and expense and to provide a fair and efficient process for resolving the Parties' dispute.
2. As soon as practicable after its constitution and after inviting the Parties to express their views, the arbitral tribunal shall establish the provisional timetable of the arbitration. The arbitral tribunal may, at any time, after inviting the Parties to express their views, extend or abridge any period of time prescribed under these Rules or agreed by the Parties.
3. If either Party so requests at any appropriate stage of the proceedings, the arbitral tribunal shall hold at least one hearing for the presentation of evidence by witnesses, including expert witnesses, or for oral argument. In the absence of such a request, the arbitral tribunal shall decide whether to hold such hearings or whether the proceedings shall be conducted on the basis of documents and other materials.
4. All communications, including documents or information, with the arbitral tribunal by one Party shall, where reasonably possible, at the same time be communicated by that Party to the other Party, and a copy of any relevant documents or information shall be filed with the International Bureau.

RULE 15

Place of arbitration

1. Unless the Parties have agreed otherwise, the place where the arbitration is to be held shall be The Hague, The Netherlands. If the Parties agree that the arbitration shall be held at a place other than The Hague, the International Bureau shall inform the Parties and the arbitral tribunal whether it is willing to provide the secretariat and registrar services.

2. The arbitral tribunal may determine the locale of the arbitration within the place agreed upon by the Parties. It may hear witnesses and hold meetings for consultation among its members at any place it deems appropriate, having regard to the circumstances of the arbitration.

3. After inviting the views of the Parties, the arbitral tribunal may meet at any place it deems appropriate for the inspection of property or documents. The Parties shall be given sufficient notice to enable them to be present at such inspection.

4. Hearings may also be held online, if so agreed by the Parties.

RULE 16 **Language**

1. The official language of the Tribunal shall be English.

2. The arbitral tribunal may order that any documents annexed to the statement of claim or statement of defence, and any supplementary documents or exhibits submitted in the course of the proceedings, delivered in their original language, shall be accompanied by a translation into English.

RULE 17 **Statement of claim**

1. The claimant shall communicate its statement of claim in writing to the respondent, to the International Bureau, and to each of the arbitrators within the period of time provided for in the provisional timetable established under Rule 14. The claimant may elect to treat its notice of arbitration referred to in Rule 3 as a statement of claim, provided that the notice of arbitration also complies with the requirements of paragraphs 2 to 4 of this Rule.

2. The statement of claim shall include the following particulars:

- (a) the details of the Parties;
- (b) a statement of the facts supporting the claim;
- (c) the points at issue;
- (d) the relief or remedy sought; and
- (e) the legal grounds or arguments supporting the claim.

3. A copy of any pertinent documents among those mentioned in points (c) and (d) of Rule 3(3) shall be annexed to the statement of claim.

4. The statement of claim should, as far as possible, be accompanied by all documents and other evidence relied upon by the claimant, or contain references to them.

RULE 18
Statement of defence

1. The respondent shall communicate its statement of defence in writing to the claimant, to the International Bureau, and to each of the arbitrators within the period of time provided for in the provisional timetable established under Rule 14. The respondent may elect to treat its response to the notice of arbitration referred to in Rule 4 as a statement of defence, provided that the response to the notice of arbitration also complies with the requirements of paragraph 2 of this Rule.

2. The statement of defence shall reply to the particulars of the statement of claim identified at points (b) to (e) of Rule 17(2). The statement of defence should, as far as possible, be accompanied by all documents and other evidence relied upon by the respondent, or contain references to them.

3. In its statement of defence, or at a later stage in the arbitral proceedings if the arbitral tribunal decides that the delay was justified under the circumstances, the respondent may make a counterclaim or rely on a claim for the purpose of a set-off provided that the arbitral tribunal has jurisdiction over it.

4. The provisions of Rule 17(2) to (4) shall apply to a counterclaim and a claim relied on for the purpose of a set-off.

RULE 19
Amendments to the claim or defence

During the course of the arbitral proceedings, a Party may amend or supplement its claim or defence, including a counterclaim or a claim for the purpose of a set-off, unless the arbitral tribunal considers it inappropriate to allow such amendment or supplement having regard to the delay in making it or prejudice to other Parties or any other circumstances. However, a claim or defence, including a counterclaim or a claim for the purpose of a set-off, may not be amended or supplemented in such a manner that the amended or supplemented claim or defence falls outside the jurisdiction of the arbitral tribunal.

RULE 20
Pleas as to the jurisdiction of the arbitral tribunal

1. The arbitral tribunal shall have the power to rule on its own jurisdiction, including any objections with respect to the existence or validity of the arbitration agreement. For that purpose, Article 15 of this Agreement shall be treated as an

agreement independent of the other terms of this Agreement. A decision by the arbitral tribunal that this Agreement is null, void, or invalid shall not entail automatically the invalidity of Article 15 of this Agreement.

2. A plea that the arbitral tribunal does not have jurisdiction shall be raised no later than in the statement of defence or, with respect to a counterclaim or a claim for the purpose of a set-off, in the reply to the counterclaim or to the claim for the purpose of a set-off. A Party is not precluded from raising such a plea by the fact that it has appointed, or participated in the appointment of, an arbitrator. A plea that the arbitral tribunal is exceeding the scope of its authority shall be raised as soon as the matter alleged to be beyond the scope of its authority is raised during the arbitral proceedings. The arbitral tribunal may, in either case, admit a later plea if it considers the delay justified.

3. The arbitral tribunal may rule on a plea referred to in paragraph 2 either as a preliminary question or in an award on the merits.

RULE 21 **Further written statements**

The arbitral tribunal shall, after inviting the views of the Parties, decide which further written statements, in addition to the statement of claim and the statement of defence, shall be required from the Parties or may be presented by them and the period of time for communicating such statements.

RULE 22 **Periods of time**

The periods of time fixed by the arbitral tribunal for the communication of written statements (including the statement of claim and statement of defence) should not exceed 45 days. However, the arbitral tribunal may set longer time limits, if it concludes that an extension is justified.

RULE 23 **Interim measures**

1. The arbitral tribunal may, at the request of a Party, grant interim measures.
2. An interim measure is any temporary measure by which, at any time prior to the issuance of the award by which the dispute is finally decided, the arbitral tribunal orders a Party, for example and without limitation, to:
 - (a) maintain or restore the status quo pending determination of the dispute;

(b) take action that would prevent, or refrain from taking action that is likely to cause,

(i) current or imminent harm; or

(ii) prejudice to the arbitral process itself;

(c) provide a means of preserving assets out of which a subsequent award may be satisfied; or

(d) preserve evidence that may be relevant and material to the resolution of the dispute.

3. The Party requesting an interim measure under points (a) to (c) of paragraph 2 shall satisfy the arbitral tribunal that:

(a) harm not adequately reparable by an award of damages is likely to result if the measure is not ordered, and such harm substantially outweighs the harm that is likely to result to the Party against whom the measure is directed if the measure is granted; and

(b) there is a reasonable possibility that the requesting Party will succeed on the merits of the claim. The determination on this possibility shall not affect the discretion of the arbitral tribunal in making any subsequent determination.

4. With regard to a request for an interim measure under point (d) of paragraph 2, the requirements in paragraph 3 shall apply only to the extent the arbitral tribunal considers appropriate.

5. The arbitral tribunal may modify, suspend or terminate an interim measure it has granted, upon application of any Party.

6. The arbitral tribunal may require the Party requesting an interim measure to provide appropriate security in connection with the measure.

7. Any Party shall promptly disclose any material change in the circumstances on the basis of which the interim measure was requested or granted.

8. The Party requesting an interim measure may be liable for any costs and damages caused by the measure to any Party if the arbitral tribunal later determines that, in the circumstances then prevailing, the measure should not have been granted. The arbitral tribunal may award such costs and damages at any point during the proceedings.

RULE 24
Evidence and hearings

1. Each Party shall have the burden of proving the facts relied on to support its claim or defence.
2. The arbitral tribunal may, if it considers it appropriate, require a Party to deliver to the tribunal and to the other Party, within such a period of time as provided for in the provisional timetable established (or as subsequently amended) under Rule 14, a summary of the documents and other evidence which that Party intends to present in support of the facts in issue set out in its statement of claim or statement of defence.
3. At any time during the arbitral proceedings the arbitral tribunal may call upon the Parties to produce documents, exhibits or other evidence within such a period of time as provided for in the provisional timetable established (or as subsequently amended) under Rule 14. The tribunal shall take note of any refusal to do so as well as any reasons given for such refusal.
4. In the event of an oral hearing, the arbitral tribunal shall give the Parties adequate advance notice of the date, time and place thereof.
5. Witnesses, including expert witnesses, may be heard under the conditions and examined in the manner set by the arbitral tribunal.
6. Hearings shall be held in private unless the Parties agree otherwise. The arbitral tribunal may require the retirement of any witness or witnesses, including expert witnesses, during the testimony of such other witnesses, except that a witness, including an expert witness, who is a Party to the arbitration shall not, in principle, be asked to retire.
7. The arbitral tribunal may direct that witnesses, including expert witnesses, be examined through means of telecommunication that do not require their physical presence at the hearing (such as videoconference).
8. Witnesses, including expert witnesses, who are presented by the Parties to testify to the arbitral tribunal on any issue of fact or expertise may be any individual, notwithstanding that the individual is in any way related to a Party. Unless otherwise directed by the arbitral tribunal, statements by witnesses, including expert witnesses, may be presented in writing and signed by them.
9. The arbitral tribunal shall determine the admissibility, relevance, materiality and weight of the evidence offered.

RULE 25

Experts appointed by the arbitral tribunal

1. After consultation with the Parties, the arbitral tribunal may appoint one or more independent experts to report to it, in writing, on specific issues to be determined by the arbitral tribunal. A copy of the expert's terms of reference, established by the arbitral tribunal, shall be communicated to the Parties.
2. The expert shall, in principle before accepting appointment, submit to the arbitral tribunal and to the Parties a description of their qualifications and a statement of their impartiality and independence. Within the time ordered by the arbitral tribunal, the Parties shall inform the arbitral tribunal whether they have any objections as to the expert's qualifications, impartiality or independence. The arbitral tribunal shall decide promptly whether to accept any such objections. After an expert's appointment, a Party may object to the expert's qualifications, impartiality or independence only if the objection is for reasons of which the Party becomes aware after the appointment has been made. The arbitral tribunal shall decide promptly what, if any, action to take.
3. The Parties shall give the expert any relevant information or produce for their inspection any relevant documents or goods that they may require of them. Any dispute between a Party and such expert as to the relevance of the required information or production shall be referred to the arbitral tribunal for decision.
4. Upon receipt of the expert's report, the arbitral tribunal shall communicate a copy of the report to the Parties, which shall be given the opportunity to express, in writing, their opinion on the report. A Party shall be entitled to examine any document on which the expert relied in their report.
5. If a Party so requests or if the arbitral tribunal considers it necessary, the expert shall, after delivery of the report, participate in a hearing where the Parties have the opportunity to put questions to him or her and to present expert witnesses in order to testify on the points at issue. The provisions of Rule 24 shall be applicable to such proceedings.

RULE 26

Default

1. If, within the period of time fixed by these Rules or the arbitral tribunal, without showing sufficient cause:
 - (a) the claimant has failed to communicate its statement of claim, the arbitral tribunal shall issue an order for the termination of the arbitral proceedings, unless there are remaining matters that may need to be decided and the arbitral tribunal considers it appropriate to do so;

(b) the respondent has failed to communicate its response to the notice of arbitration or its statement of defence, the arbitral tribunal shall order that the proceedings continue, without treating such failure in itself as an admission of the claimant's allegations; and

(c) the claimant has failed to submit a defence to a counterclaim or to a claim for the purpose of a set-off, the arbitral tribunal shall order that the proceedings continue, without treating such failure in itself as an admission of the respondent's allegations.

2. If one of the Parties, duly notified under these Rules, fails to appear at a hearing, without showing sufficient cause for such failure, the arbitral tribunal may proceed with the arbitration.

3. If one of the Parties, duly invited to produce documentary evidence, fails to do so within the period of time fixed by the arbitral tribunal, without showing sufficient cause for such failure, the arbitral tribunal may make the award on the evidence before it. The arbitral tribunal shall decide whether sufficient cause has been shown.

RULE 27 **Closure of hearings**

1. The arbitral tribunal may inquire of the Parties if they have any further proof to offer or witnesses to be heard or submissions to make and, having taken the Parties' responses into account, it may determine whether to declare the hearings closed.

2. The arbitral tribunal may, if it considers it necessary owing to exceptional circumstances, decide, on its own motion or upon application of a Party, to reopen the hearings at any time before the award is made.

RULE 28 **Waiver of rules**

A Party who knows that any provision of, or requirement under, these Rules has not been complied with and yet proceeds with the arbitration without promptly stating its objection to such non-compliance, shall be deemed to have waived its right to object unless such Party can show that, under the circumstances, its failure to object was justified. The arbitral tribunal shall decide whether the failure to object was justified.

Section 4
THE AWARD

RULE 29
Decisions

1. Any award or other decision of the arbitral tribunal shall be made by a majority of the arbitrators.
2. In the case of questions of procedure, when the arbitral tribunal so authorises, the presiding arbitrator may decide on their own, subject to revision, if any, by the arbitral tribunal.

RULE 30
Form and effect of the award

1. In addition to making a final award, the arbitral tribunal shall be entitled to make interim, interlocutory, or partial awards.
2. The award shall be made in writing and shall be final and binding on the Parties.
3. The arbitral tribunal shall state the reasons upon which the award is based, unless the Parties have agreed that no reasons are to be given.
4. An award shall be signed by the arbitrators and it shall contain the date on which and the place where the award was made. If any arbitrator fails to sign, the award shall state the reason for the absence of the signature.
5. The award may be made public only with the consent of both Parties, or to the extent disclosure is required of a Party by legal duty, to protect or pursue a legal right or in relation to legal proceedings before a court or other competent authority.
6. Copies of the award signed by the arbitrators shall be communicated to the Parties by the presiding arbitrator or by the International Bureau.

RULE 31
Applicable law

1. The arbitral tribunal shall apply the rules of law designated by the Parties as applicable to the substance of the dispute. Failing such designation by the Parties, the arbitral tribunal shall apply the law which it determines to be appropriate, which may include the general principles governing the law of intergovernmental organisations and the rules of general international law.

2. For greater certainty, the arbitral tribunal shall have no jurisdiction to determine the legality of a measure alleged to constitute a breach of this Agreement under the law of a Party. No finding made by the arbitral tribunal when ruling on a dispute between the Parties shall bind the domestic courts or tribunals of a Party as to the meaning to be given to the law of that Party.

RULE 32

Settlement or other grounds for termination

1. If, before the award is made, the Parties agree on a settlement of the dispute, the Parties shall inform the arbitral tribunal and the arbitral tribunal shall either issue an order for the termination of the arbitral proceedings or, if requested by both Parties and accepted by the tribunal, record the settlement in the form of an arbitral award on agreed terms. The arbitral tribunal is not obliged to give reasons for such an award.

2. If, before the award is made, the continuation of the arbitral proceedings becomes unnecessary or impossible for any reason not mentioned in paragraph 1, the presiding arbitrator shall inform the Parties of the arbitral tribunal's intention to issue an order for the termination of the proceedings. The arbitral tribunal shall have the power to issue such an order unless a Party raises justified grounds for objection. The arbitral tribunal shall decide whether the grounds for objection are justified.

3. Copies of the order for termination of the arbitral proceedings or of the arbitral award on agreed terms, signed by the arbitrators, shall be communicated to the Parties by the International Bureau or in other cases, by the presiding arbitrator. Where an arbitral award on agreed terms is made, the provisions of Rule 30(2) and (4) to (6), shall apply.

RULE 33

Interpretation of the award

1. Within 30 days after the receipt of the award, either Party may request that the arbitral tribunal give an interpretation of the award.

2. The interpretation shall be given in writing within 45 days after the receipt of the request. The interpretation shall form part of the award and the provisions of Rule 30(2) to (6), shall apply.

RULE 34

Correction of the award

1. Within 30 days after the receipt of the award, either Party may request the arbitral tribunal to correct in the award any errors in computation, any clerical or typographical errors, or any errors of similar nature. The arbitral tribunal may within

30 days after the communication of the award make such corrections on its own initiative.

2. Such corrections shall be in writing, and the provisions of Rule 30(2) to (6), shall apply.

RULE 35 **Additional award**

1. Within 30 days after the receipt of the award, either Party may request the arbitral tribunal to make an additional award as to claims presented in the arbitral proceedings but omitted from the award.

2. If the arbitral tribunal considers the request for an additional award to be justified and considers that the omission can be rectified without any further hearings or evidence, it shall complete its award within 60 days after the receipt of the request.

3. When an additional award is made, the provisions of Rule 30(2) to (6), shall apply.

RULE 36 **Definition of costs**

1. The arbitral tribunal shall fix the costs of arbitration in the final award and, if it deems appropriate, in another decision. Costs shall be apportioned equally between whichever of the EU, Ireland or the United Kingdom are participating in the arbitration.

2. The term “costs” includes only:

(a) the fees of the arbitral tribunal to be stated separately as to each arbitrator and to be fixed by the tribunal itself in accordance with Rule 37;

(b) the reasonable travel and other expenses incurred by the arbitrators;

(c) the reasonable costs of expert advice and of other assistance required by the arbitral tribunal;

(d) the reasonable travel and other expenses of witnesses required by the tribunal to the extent such expenses are approved by the arbitral tribunal; and

(e) the fees and expenses of the International Bureau, including the fees and expenses of the appointing authority.

3. In relation to interpretation, correction or completion of any award under Rules 33 to 35, the arbitral tribunal may charge the costs referred to in points (b) to (e) of paragraph 2, but no additional fees.

RULE 37

Fees and expenses of arbitrators

1. The costs referred to in points (a) to (c) of Rule 36(2) shall be reasonable in amount, taking into account the amount in dispute, the complexity of the subject matter, the time spent by the arbitrators and any experts appointed by the arbitral tribunal, and any other relevant circumstances of the case.

2. Promptly after its constitution, the arbitral tribunal shall inform the Parties as to how it proposes to determine its fees and expenses, including any rates it intends to apply. Within 15 days of receiving that proposal, any Party may refer the proposal to the appointing authority for review. If the appointing authority finds that the proposal of the arbitral tribunal is inconsistent with paragraph 1, it shall make any necessary adjustments thereto, which shall be binding upon the arbitral tribunal.

3. Before fixing the costs of arbitration pursuant to Rule 36, the arbitral tribunal shall submit its determination of the costs referred to in points (a) to (c) of Rule 36(2), with an explanation of the manner in which the corresponding amounts have been calculated, to the appointing authority for review.

4. If the appointing authority finds that the arbitral tribunal's determination is inconsistent with the criteria in paragraph 1 or with the arbitral tribunal's proposal (and any adjustments thereto) under paragraph 2, it shall make any necessary adjustments to the arbitral tribunal's determination. Any such adjustments shall be binding upon the arbitral tribunal when it fixes the costs of arbitration pursuant to Rule 36.

5. Throughout the procedure under paragraphs 2 and 3, the arbitral tribunal shall proceed with the arbitration, in accordance with Rule 14(1).

RULE 38

Costs

1. Other than the costs listed in Rule 36(2), each Party shall bear its own expenses incurred in connection with the arbitration.

2. When the arbitral tribunal issues an order for the termination of the arbitral proceedings or makes an award on agreed terms, it shall fix the costs of arbitration referred to in Rule 36 in the text of that order or award.

RULE 39
Deposit of costs

1. The International Bureau, following the commencement of the arbitration, may request whichever of the EU, Ireland or the United Kingdom are participating in the arbitration to deposit an equal amount as an advance for the costs referred to in points (a) to (c) and (e) of Rule 36(2). All amounts deposited by the Parties pursuant to this paragraph and paragraph 2 shall be directed to the International Bureau, and disbursed by it for such costs, including, inter alia, fees to the arbitrators, appointing authority, and the International Bureau. The International Bureau shall ensure that any disbursements of arbitral tribunal fees and expenses made prior to the fixing of the costs of arbitration pursuant to Rule 36 are consistent with the criteria in Rule 37(1) and with the arbitral tribunal's proposal (and any adjustments thereto) under Rule 37(2).
2. During the course of the arbitral proceedings the arbitral tribunal may request supplementary deposits from the Parties.
3. If the requested deposits are not paid in full within 60 days after the receipt of the request, the arbitral tribunal shall so inform the Parties in order that one or another of them may make the required payment. If such payment is not made, the arbitral tribunal may order the suspension or termination of the arbitral proceedings.
4. After the award has been made, the International Bureau shall render an accounting to the Parties of the deposits received and return any unexpended balance to the Parties.

PART B
CODE OF CONDUCT FOR ARBITRATORS

SECTION 1
DEFINITIONS

1. For the purposes of this Code of Conduct, the following definitions apply:
 - (a) "administrative staff" means, in respect of an arbitrator, individuals under the direction and control of an arbitrator, other than assistants;
 - (b) "arbitrator" means a member of an arbitral tribunal; and
 - (c) "assistant" means an individual who, under the terms of appointment of an arbitrator, conducts research or provides assistance to that arbitrator.

SECTION 2 GOVERNING PRINCIPLES

2. In order to preserve the integrity and impartiality of the dispute settlement mechanism, each prospective arbitrator and arbitrator shall:

- (a) get acquainted with, and comply with, this Code of Conduct;
- (b) be independent and impartial;
- (c) avoid direct or indirect conflicts of interest;
- (d) avoid impropriety and the appearance of impropriety or bias;
- (e) observe high standards of conduct; and
- (f) not be influenced by self-interest, outside pressure, political considerations, public clamour, and loyalty to a Party or fear of criticism.

3. An arbitrator shall not, directly or indirectly, incur any obligation or accept any benefit that would in any way interfere, or appear to interfere, with the proper performance of their duties.

4. An arbitrator shall not use their position on the arbitral tribunal to advance any personal or private interests. An arbitrator shall avoid actions that may create the impression that others are in a position to influence them.

5. An arbitrator shall not allow past or existing financial, business, professional, personal, or social relationships or responsibilities to influence their conduct or judgement.

6. An arbitrator shall avoid entering into any relationship or acquiring any financial interest that is likely to affect their impartiality or that might reasonably create an appearance of impropriety or bias.

SECTION 3 DISCLOSURE OBLIGATIONS

7. Prior to their appointment as an arbitrator a prospective arbitrator requested to serve as an arbitrator shall disclose to those who approach them in connection with their possible appointment any circumstances that are likely to give rise to justifiable doubts as to their independence or impartiality, and/or are likely to affect their independence or impartiality, or that might reasonably create an appearance of impropriety or bias in the proceedings. To that end, a prospective arbitrator shall make all reasonable efforts to become aware of any such interests, relationships and matters, including financial interests, professional interests, or employment or family interests.

8. The disclosure obligation under paragraph 7 of this Part is a continuing duty which requires an arbitrator to disclose to the Parties and to the appointing authority if any without delay any such circumstances that may arise during any stage of the proceedings.

9. A prospective arbitrator or an arbitrator shall communicate to the Parties and to the appointing authority if any, for their consideration any matters concerning actual or potential violations of this Code of Conduct at the earliest time they become aware of them.

SECTION 4 DUTIES OF ARBITRATORS

10. Upon acceptance of their appointment, an arbitrator shall be available to perform and shall perform their duties thoroughly and expeditiously throughout the proceedings, and with fairness and diligence.

11. An arbitrator shall consider only the issues raised in the proceedings and which are necessary for a decision and shall not delegate that duty to any other person.

12. An arbitrator shall take all appropriate steps to ensure that their assistants and administrative staff are aware of, and comply with, the obligations incurred by arbitrators under Sections 2, 3, 4 and 6 of this Part.

SECTION 5 OBLIGATIONS OF FORMER ARBITRATORS

13. Each former arbitrator shall avoid actions that may create the appearance that they were biased in carrying out their duties or derived advantage from the decision of the arbitral tribunal.

14. Each former arbitrator shall comply with the obligations in Section 6 of this Part.

SECTION 6 CONFIDENTIALITY

15. An arbitrator shall not, at any time, disclose any non-public information concerning the proceedings or acquired during the proceedings for which they have been appointed. An arbitrator shall not, in any case, disclose or use such information to gain personal advantage or advantage for others or to adversely affect the interests of others.

16. An arbitrator shall not disclose an award, decision or order of the arbitral tribunal or parts thereof unless it is made public in accordance with Part A of this Annex.

17. An arbitrator shall not, at any time, disclose the deliberations of an arbitral tribunal, or any arbitrator's view, nor make any statements on the proceedings for which they have been appointed or on the issues in dispute in the proceedings.

SECTION 7 EXPENSES

18. Each arbitrator shall keep a record and render to the arbitral tribunal and the Parties, a final account of the time devoted to the proceedings and of their expenses, as well as the time and expenses of their assistants and administrative staff.

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